

STATE OF HAWAII

Accounting Manual

Volume II: Budgetary Control Accounting
Part 300 - 500: Expenditures

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SECTION 564: PRIORITY VOUCHERS

1. General Description. Vouchering departments or agencies may request priority payments on certain claims. The priority payment should be requested only if the normal route of processing vouchers and preparing warrants will not result in timely payment. Every effort should be made to avoid priority requests, because they disrupt the normal vouchering and warrant production process. By good planning and initiative, departments and agencies should be able to keep priority requests to a minimum.
2. Scope.
 - (a) Priority vouchers covered in this section are known as "Red-Tag Vouchers". All other vouchers are processed daily as part of the regular function of the Department of Accounting and General Services (DAGS) Accounting Division.
 - (b) Priority vouchers for payroll payments are not covered in this section, but are covered in Sections 257 and 362 of Volume III of the Accounting Manual.
3. Responsibility.
 - (a) Departments and Agencies. Departments and agencies are responsible for establishing, reviewing, and maintaining internal control procedures within their respective organizations so that red-tag vouchers are kept to a minimum and are used appropriately. Reference is made to performance standards for the prompt payment of vendors' claims, and to possible approaches to resolving vendor payment problems, as contained in Section 563, "Prompt Payment of Vendors' Claims" of this Volume II, State of Hawaii Accounting Manual.
 - (b) DAGS Accounting Division. The State Comptroller, through DAGS Accounting Division, is responsible for the following:
 - (1) Expediting the processing of priority vouchers.
 - (2) Monitoring the priority voucher program so that the concerns of all parties (vendors, departments, and DAGS Accounting Division) are recognized and resolved.
 - (3) Granting exceptions to the red-tag conditions and procedures.
4. Procedures.
 - (a) General. The procedures discussed in Section 550, Summary Warrant Voucher - General, of this Accounting Manual are followed in processing priority vouchers, as well as non-priority vouchers.

July 1, 1978

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(b) Specific.

- (1) When departments and agencies require the preparation and delivery of a warrant earlier than would result from the general procedures alone, the SUMMARY WARRANT VOUCHER (SWV) must be red-tagged by the originating department or agency. The red-tag must be securely stapled to the top of the face of the SWV.
- (2) In order to expedite the processing of a red-tag voucher, it is preferred that only one payee's claim be submitted on a SWV. (Note: Some exceptions to this rule are claims for advance per diem, tax refunds, and payroll vouchers where there are more than one common type of payee listed.)
- (3) Warrants for priority vouchers are ready for pick-up or delivery by mail or messenger service by 9:30 a.m., based on vouchers received by DAGS Accounting Division by 2:00 p.m. of the previous work day.
- (4) DAGS Accounting Division maintains a log of red-tag vouchers and expedites priority vouchers according to the urgency of a voucher in relation to other priority vouchers.
- (5) DAGS analyzes red-tag vouchers data to determine whether a department is submitting an excessive number of these priority vouchers in relation to total vouchers submitted.
- (6) Unwarranted or excessive users of red-tag vouchers are notified, and appropriate measures are taken to discourage and prevent further abuse of these privileges.
- (7) In extreme cases, a red-tag may be removed at the discretion of the DAGS Pre-Audit staff when it is determined that there is no valid reason for processing the voucher on a high priority basis.